



GAIL FARBER, Director

## COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

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July 14, 2015

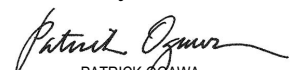
The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

28 July 14, 2015

  
PATRICK O'QUINN  
ACTING EXECUTIVE OFFICER

### **AWARD OF SERVICE CONTRACT FOR AS-NEEDED SEWER SYSTEM REPAIRS AND MAINTENANCE SERVICES (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

#### **SUBJECT**

This action is to award eight contracts for as-needed sewer system repair and maintenance services in response to emergencies arising from sewer system failures throughout the County of Los Angeles.

**IT IS RECOMMENDED THAT THE BOARD ACTING AS THE GOVERNING BODY OF THE COUNTY OF LOS ANGELES CONSOLIDATED SEWER MAINTENANCE DISTRICT AND THE MARINA DEL REY SEWER MAINTENANCE DISTRICT:**

1. Find that the recommended actions, including the execution of the as needed sewer system repair and maintenance service agreements, are not a project under Section 15378(b) of the California Environmental Quality Act for the reasons stated in this letter.
2. Award and delegate authority to the Director of Public Works or her designee to execute the eight service agreements with W.A. Rasic Construction Company, Inc.; Clarke Contracting Corporation; Ramona, Inc.; MNR Construction, Inc.; Steve Bubalo Construction Company, Inc.; Mike Bubalo Construction Company, Inc.; Sancon Engineering, Inc.; and Southwest Pipeline and Trenchless Corporation to provide as-needed sewer system repair and maintenance services for a 3-year term with two 1-year extension options for each firm. Each service agreement shall be for a not-to-exceed amount of \$1,500,000. The term of each service agreement shall commence on the date of the full execution of the contract and shall extend for a period of 3 years from such commencement date.

The annual aggregate total of all contracts shall not exceed \$1,500,000 plus up to 10 percent per amendment for unforeseen, additional work within the scope of the contract. The expiration of the contract service agreement is subject to the following condition: where services for a given project have been authorized by the County but are not completed by the contractor prior to the stated expiration date, the expiration date will be automatically extended solely to allow for the completion of such services.

3. Delegate authority to the Director of Public Works or her designee to supplement the initial not-to-exceed amount of \$1,500,000 for any of the previously mentioned eight service agreements by up to 10 percent per amendment for unforeseen, additional work within the scope of the contract, if required.

4. Delegate authority to the Director of Public Works or her designee to execute the two 1-year extension options on the eight service agreements at the discretion of the Director of Public Works or her designee based upon the level of satisfaction with the services provided.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended action is to find that the recommended actions, including the execution of the as-needed sewer system repair and maintenance service agreements, are not a project under the California Environmental Quality Act (CEQA) and provide for as-needed repair and maintenance of sewer system facilities for the Department of Public Works. The program is designed to provide labor and equipment to repair sewer system facilities when Public Works crews are unable to respond to an emergency or lack the equipment and/or expertise necessary to safely accomplish the work. The two Scopes of Work to be performed will consist of (A) Sewer Pipeline and Manhole Reconstruction and Sewer Pump Station Repair; and (B) Sewer Pipeline Cleaning, Lining, and Manhole Rehabilitation. Utilizing multiple contractors will enable Public Works to respond in a timely manner to emergency repairs that may be needed throughout its facilities.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provision of Operational Effectiveness/Fiscal Sustainability (Goal 1) by the use of as-needed service agreements to better manage fluctuations and increases in workload while providing quality service in a responsive manner to our clients. Contractors who have the specialized expertise to provide these services accurately, efficiently, timely, and in a responsive manner will support Public Works in meeting these goals.

### **FISCAL IMPACT/FINANCING**

There will be no impact to the County General Fund.

Each individual service agreement is structured for a not-to-exceed amount of \$1,500,000. The annual aggregate sum of Scope A and B work shall not exceed \$1,500,000 plus up to 10 percent of the program sum for unforeseen, additional work within the scope of the contract, if required. This amount is based on the estimated annual utilization of the contractors' services.

Funding for these services is included in the Consolidated Sewer Maintenance District – Accumulative Capital Outlay Fund and the Marina del Rey Sewer Maintenance District Fund Fiscal Year 2015-16 Budgets. When the need arises for services under these contracts, funding for the required services will be allocated from the appropriate Public Works fund source. Total annual

expenditures for these services, however, will not exceed the contract amount approved by the Board. Funds to finance the contracts' optional years and 10 percent additional funding for contingencies will be requested through the annual budget process.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

A standard service agreement, in the form previously approved by County Counsel, will be used. The service agreements will be in compliance with the Interim Chief Executive Officer's and the Board's requirements.

The as-needed sewer system repair and maintenance services are comprised of contractors who are capable of responding 7-days-a-week, 24-hours-a-day, to emergencies arising from sewer system failures. These contractors are able to provide labor and equipment to repair sewer system facilities when Public Works crews are unable to respond to an emergency or lack the equipment and/or expertise necessary to safely accomplish the work.

The recommended contracts were solicited on an open-competitive basis and are in accordance with applicable Federal, State, and County requirements. The contractors are in compliance with the Interim Chief Executive Officer's and the Board's requirements.

The service agreements will contain terms and conditions supporting the Board's ordinances, policies, and programs, including but not limited to: the County's Greater Avenues for Independence and General Relief Opportunities for Work Programs, Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; Defaulted Property Tax Reduction Program, Los Angeles County Code, Chapter 2.206; and the standard Board-directed clauses that provide for contract termination or renegotiation.

## **ENVIRONMENTAL DOCUMENTATION**

The recommended actions, including the execution of the as-needed sewer system repair and maintenance service agreements, are not a project under Section 15378(b) of CEQA because it is an activity that is excluded from the definition of a project by Section 15378(b) of the State CEQA Guidelines. The proposed actions are administrative activities of government, which will not result in direct or indirect physical changes to the environment. The Board's approval of the execution of the as-needed service agreements does not include approval of the work done pursuant to the agreements. The issuance of each Notice to Proceed under the as-needed service agreements will be subject to prior determination by Public Works that the work qualifies for exemption under CEQA. In the event that any work under the as-needed service agreements is not determined to be exempt, Public Works will return to the Board for approval of the work along with consideration of the appropriate documentation under CEQA.

## **CONTRACTING PROCESS**

On March 11, 2015, Public Works issued a Request for Proposals (RFP) for as-needed sewer system repair and maintenance services. The RFP was advertised on the County's "Doing Business with Us" and Public Works' "Contract Opportunities" websites.

Historically, there has been a much greater need for sewer reconstruction and repair services (Scope A) than for cleaning, lining, and rehabilitation services (Scope B). Therefore, to ensure a high level of responsiveness and sufficient contracting capacity, the RFP was structured to award six contracts for Scope A and four contracts for Scope B work. The RFP allowed firms to compete in one of three categories: small-, medium-, or large-size firms. Each firm was requested to certify its own size, based on the number of personnel, for competition with other firms in the same size category. The RFP stated that a total of six firms would be awarded contracts for Scope A as follows: three small-size firms, two medium-size firms, and one large-size firm. In addition, a total of four firms would be awarded contracts for Scope B as follows: two small-size firms, one medium-size firm, and one large-size firm. However, only two firms submitted proposals for Scope B, and both are medium-size. In the judgment of Public Works these two contractors are sufficient to perform Scope B work; therefore, no rebidding is necessary.

Public Works is recommending that the following eight firms, which are the highest-rated, responsive, and responsible proposers, be awarded a contract.

### **Scope A – Sewer Pipeline & Manhole Reconstruction & Sewer Pump Station Repair**

#### **Small-Size Firms:**

Clarke Contracting Corporation  
Ramona, Inc.  
MNR Construction, Inc.

#### **Medium-Size Firms:**

Steve Bubalo Construction Company, Inc.  
Mike Bubalo Construction Company, Inc.

#### **Large-Size Firms:**

W.A. Rasic Construction Company, Inc.

### **Scope B – Sewer Pipeline Cleaning, Lining, and Manhole Rehabilitation**

#### **Small-Size Firms:**

None

#### **Medium-Size Firms:**

Sancon Engineering, Inc.  
Southwest Pipeline and Trenchless Corporation

Large-Size Firms:

None

Public Works has evaluated and determined that the Los Angeles County Code, Chapter 2.201 (Living Wage Program), does not apply to the recommended service agreements. These agreements are exempt from the requirements of Proposition A because the services are required on a part-time and intermittent basis.

These contracts do not allow for a cost-of-living adjustment.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The award of these contracts will not result in the displacement of any County employees as these services are presently contracted with the private sector.

**CONCLUSION**

Please return one adopted copy of this Board letter to the Department of Public Works, Architectural Engineering Division.

Respectfully submitted,

A handwritten signature in black ink that reads "Gail Farber". The script is cursive and fluid.

GAIL FARBER

Director

GF:DL:lb

c: Chief Executive Office (Rochelle Goff)  
County Counsel  
Executive Office